Invesco Small Cap Growth Portfolio

Quarterly Performance Commentary

CUSIPS: A:76222X828 C:76222X810 I:76222X778

Investment objective

The portfolio seeks long-term growth of capital.

Portfolio management

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Management is that of the underlying fund.

Portfolio information

Total net assets	$18,631,854
Total number of holdings	122

Holdings shown are that of the underlying fund.

Top equity holdings	% of total net assets
Natera Inc	1.67
Altair Engineering Inc	1.48
Guidewire Software Inc	1.48
Saia Inc	1.35
Repligen Corp	1.33
AZEK Co Inc/The	1.28
EastGroup Properties Inc	1.26
Wingstop Inc	1.24
TMX Group Ltd	1.20
Glaukos Corp	1.20

Holdings are that of the underlying fund, subject to change and are not buy/sell recommendations.

Top contributors	% of total net assets
1. Wingstop Inc.	1.24
2. Natera Inc.	1.67
3. Cytokinetics Inc.	0.71
4. Karuna Therapeutics Inc.	0.94
5. Stride Inc.	0.93

Data shown is that of the underlying fund.

Top detractors	% of total net assets
1. Confluent Inc.	0.00
2. R1 RCM Inc.	0.00
3. Lattice Semiconductor Corp.	1.13
4. Flywire Corp.	0.78
5. Wayfair Inc.	0.00

Data shown is that of the underlying fund.

Portfolio commentary provided is based on the underlying fund.

Market overview

- US equities posted strong gains in the fourth quarter as investors appeared to anticipate a possible end to US Federal Reserve (Fed) interest rate hikes. Inflation slowed during the quarter as indicated by the Consumer Price Index (CPI) 12-month headline inflation rate, which fell from 3.7% in September to 3.1% in November, below its 2022 peak. Robust consumer spending contributed to a higher-than-expected estimate for third quarter GDP growth, according to a release by the Bureau of Economic Analysis. The Fed kept the federal funds rate steady at its December meeting and signaled three rate cuts for 2024. Chairman Powell noted that "our policy rate is likely at or near its peak for this tightening cycle," prompting a decline in the 10-year US Treasury yield. Stocks also rallied on Powell's remarks. The recent rally in low quality stocks signals to us that the market thinks the Fed has achieved a soft landing, has finished raising interest rates, and is ready to pivot to easing. However, we remain cautious.

Performance highlights

- The portfolio's Class A units at net asset value (NAV) had a positive return but trailed its benchmark index for the quarter. (Please see the investment results table on page 2 for portfolio and index performance.)
- Stock selection in the health care, materials, consumer discretionary and energy sectors added to relative return. An underweight in utilities also added to relative results.
- Notable detractors from relative results included stock selection in the information technology, financials, industrials, communication services and real estate sectors.

Contributors to performance

- **Wingstop** is a popular chicken wing take-out restaurant that has enjoyed continuing strong fundamental results driven by same store sales growth and new store openings.
- **Natera** offers pre-natal and cancer diagnostic and monitoring tests. The health care company benefited from better-than-expected revenue, pricing, and margins due to higher reimbursements.
- **Cytokinetics** is a California-based biopharmaceutical company that rallied during the quarter on reports that it could be a potential acquisition target.
- **Karuna Therapeutics** makes central nervous system treatments. The company was acquired by Bristol-Myers Squibb (not a portfolio holding) for a 53% premium during the quarter.

Detractors from performance

- **Confluent** had a disappointing quarter after reporting earnings that fell short of analyst estimates, partly due to the loss of two large customers.
- **R1 RCM** announced an acquisition of competitor Acclara, which would likely dilute earnings and apparently was apparently poorly received by investors. We exited the position during the quarter.
- **Lattice Semiconductor** manufactures programmable semiconductor chips. During the quarter, the semiconductor company provided guidance that was below consensus estimates due to industrial and telecommunications weakness.
- **Flywire** provides accounts receivable software for education, health care and travel. Following several strong quarters on a fundamental basis, the software company reported a quarter that was just in line with analysts' estimates due to delayed implementation of projects in its education channel.

Positioning and outlook

- Relative to its benchmark, the portfolio is biased toward higher quality and larger market-cap stocks. Underweights include REITs, where we see lack of growth opportunities, and pharma/biotechnology, where we seek to manage the risk of binary events, i.e., developments that cause extreme gains or losses. Positioning changes result from bottom-up stock selection, while disciplined portfolio construction acts as a risk control and ensures alignment with small-cap sector exposure with modest over- and underweights.
- We scaled back some defensive positioning and introduced more cyclicality, but are aware of potential risks, so we seek to maintain balanced positioning. We see artificial intelligence as a significant technology trend with wide-ranging implications for technology investment, employment and productivity enhancements moving forward.

Investment results						
Average annual total returns (%) as of Dec. 31, 2023						
	Class A units		**Class C units**		**Class I units**	**Style-Specific Index**
	Inception: 07/08/16		**Inception: 07/08/16**		**Inception: 07/08/16**	
Period	**Max Load 3.50%**	**NAV**	**Max CDSC 1.00%**	**NAV**	**NAV**	**Russell 2000 Growth Index**
Inception	8.07	8.66	8.15	8.15	8.93	-
5 Years	7.87	8.75	7.96	7.96	9.02	9.22
3 Years	-9.23	-7.98	-8.71	-8.71	-7.76	-3.50
1 Year	8.19	12.71	10.87	11.87	12.98	18.66
Quarter	6.22	10.64	9.39	10.39	10.68	12.75

The performance quoted is past performance and is not a guarantee of future results. Investment returns and principal value of an investment will fluctuate so that an account owner's units, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data shown. For up-to-date month-end performance information please call 877 615 4116, or visit collegebound529.com. Performance figures reflect reinvested distributions of the underlying security and changes in net asset value (NAV). No contingent deferred sales charge (CDSC) will be imposed on redemptions of Class C units following one year from the date units were purchased. Performance shown at NAV does not include applicable CDSC or front-end sales charges, which would have reduced the performance. Class I units have no sales charge; therefore, performance is at NAV. Returns less than one year are cumulative; all others are annualized. Index returns do not reflect any fees, expenses, or sales charges.

Index source: Invesco

Equity sector breakdown	(% of total net assets)
IT	24.70
Industrials	22.30
Health Care	18.90
Consumer Discretionary	12.00
Financials	6.70
Consumer Staples	4.30
Energy	4.10
Materials	2.80
Real Estate	2.00
Communication Services	0.60
Utilities	0.50

Data shown is that of the underlying fund.

Asset mix (%)	
Dom Common Stock	92.36
Intl Common Stock	6.58
Cash	1.06

Data shown is that of the underlying fund.

Expense ratios (%)	
Class A units	1.11
Class C units	1.86
Class I units	0.86

Total annual asset-based fee per the current Program Description.

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Class I units are available only to certain investors. See the Program Description for more information.

The underlying fund holdings are organized according to the Global Industry Classification Standard, which was developed by and is the exclusive property and service mark of MSCI Inc. and Standard & Poor's.

The Russell 2000® Growth Index is an unmanaged index considered representative of small-cap growth stocks. The Russell 2000 Index is a trademark/service mark of the Frank Russell Co. Russell® is a Trademark of the Frank Russell Co. An investment cannot be made directly in an index.

The S&P 500® Index is an unmanaged index considered representative of the US stock market. An investment cannot be made directly in an index.

Please keep in mind that high, double-digit returns are highly unusual and cannot be sustained.

About risk

Risks of the Underlying Holding

The risks of investing in securities of foreign issuers, including emerging markets, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

Growth stocks tend to be more sensitive to changes in their earnings and can be more volatile.

Investments in real estate related instruments may be affected by economic, legal, or environmental factors that affect property values, rents or occupancies of real estate. Real estate companies, including REITs or similar structures, tend to be small- and mid-cap companies, and their shares may be more volatile and less liquid.

Stocks of small and medium-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

The portfolio is subject to certain other risks. Please see the current Program Description for more information regarding the risks associated with an investment in the portfolio.

Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program.

For more information about CollegeBound 529, contact your financial advisor, call 877-615-4116, or visit www.collegebound529.com to obtain a Program Description, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing. Invesco Distributors, Inc. is the distributor of CollegeBound 529.

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